THE UNIVERSITY OF CHICAGO

ROUND TABLE

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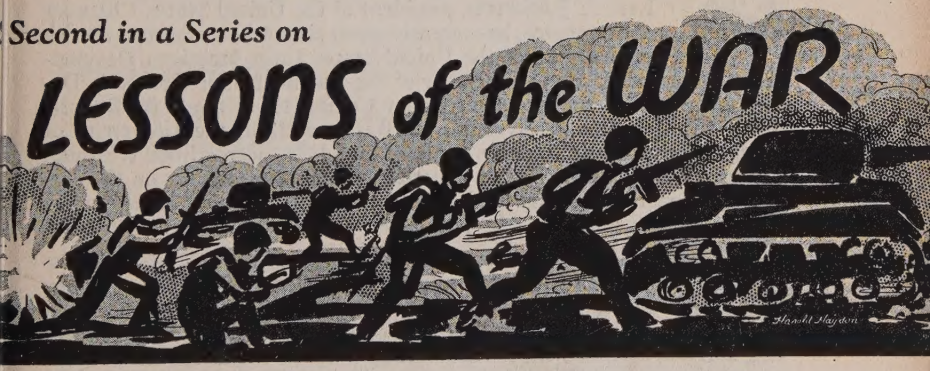
UNIVERSITY OF ILLINOIS

The ECONOMIC SYSTEM —TODAY *and* TOMORROW

Second in a Series on



A Radio Discussion by WILLIAM BENTON
ERIC JOHNSTON *and* HAROLD J. LASKI

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Around the Round Table . . . .

William Benton has been vice-president of the University of Chicago since 1937. One of his special interests at the University has been the development of educational broadcasting, and he has been closely identified with the growth of the Round Table during the last five years. Mr. Benton was graduated from Yale University in 1921. The following year he entered the advertising business, and, in 1929, in association with Chester Bowles, he organized the Benton and Bowles Agency. He retired from the advertising business in 1935 and joined the University's administration two years later. A pioneer in the field of radio entertainment, Mr. Benton believes that the potentialities of radio for adult education have scarcely been tapped. He is vice-chairman of the Committee for Economic Development, which was organized recently under the aegis of the Department of Commerce for the purpose of laying plans for maximum employment and maximum industrial productivity after the war.

Eric A. Johnston, president of the United States Chamber of Commerce, has recently spent six weeks in South America as chairman of the United States Inter-American Development Commission. He is a member of the Committee for Economic Development and of the Economic Policy Committee of the State Department. Mr. Johnston received his LL.B. degree from the University of Washington and was recently awarded an LL.D. degree from Whitman College (Washington). He has contributed magazine articles on the current problems of business to the *Reader's Digest*, *Atlantic Monthly*, and *Collier's*.

Harold J. Laski, professor of political science at the University of London and of the London School of Economics, is a distinguished author and scholar. He was born in 1893 in England and attended the Manchester Grammar School. He did both his undergraduate and his graduate work at New College, Oxford. Professor Laski has spent many years in the United States and Canada, where he has taught in various universities, among which are McGill, Harvard, and Yale. Besides his scholarly activities, he has been very active in politics and is a member of the National Executive Committee of the English Labour party. He was also a member of the Executive Committee of the Fabian Society from 1922 to 1936. He is on the editorial board of the *Political Quarterly* and a regular contributor to the *Daily Herald*, the *New Statesman and Nation*, and to numerous American magazines. He is the author of many books, among which are: *The Problem of Sovereignty* (1917); *Authority in the Modern State* (1919); *The Socialist Tradition in the French Revolution* (1930); *The Rise of European Liberalism* (1936); *Democracy in Crisis* (1933); *An Introduction to Politics* (1931); *A Grammar of Politics* (1926); *Liberty in the Modern State* (1930); *The State in Theory and Practice* (1935); *The American Presidency* (1940); *Where Do We Go from Here?* (1940); and *Reflections on the Revolution of Our Time* (1943).

THE ECONOMIC SYSTEM —TODAY *and* TOMORROW

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MR. BENTON: History is moving so fast these days that I do not think that we can tell, as we sit around this microphone in London, how important today is going to be in the histories of our countries.

I *do* know that today is the most significant and interesting day in the history of the University of Chicago ROUND TABLE. The ROUND TABLE has been broadcasting each week for over twelve years, but this is the first program ever broadcast outside the United States. We are here in the British Broadcasting Corporation studios, two floors underground, in what can be called a bombproof shelter.

I do not think that the three of us could have a more vital or important subject today. Our economic system interests everyone everywhere, and it is of particular interest to Johnston and me because that is why we are in London. As, at long last, we begin to win the war, it is going to become not only more important but more immediate.

Laski, what do you regard as the heart of this problem? How can we begin to diagnose it simply?

MR. LASKI: Full employment is the heart of the problem. Without full employment I do not see how it is possible to dream of maintaining democratic governments after the war.

MR. BENTON: Do you agree with that, Johnston?

Mr. Johnston: Next to war, mass unemployment is the most insidious, the most corroding, and the most devastating malady of our generation. We must learn to cure it by learning as much about mass distribution as we now know about mass production. I do not agree with the use of the term "full employment" because I do not know what Laski means by full employment.

Mr. Benton: A phrase which I prefer, rather than Laski's, is "high levels of employment." Full employment is very hard to define. The phrase "full employment" promises, it seems to me, more than we should expect any economic system to perform. The performance might even be unhealthy. I think that the objective of the economic system should be high and satisfactory levels of employment.

Mr. Laski: I am a peaceful person, and, as long as your level is high enough, I shall not quarrel with you about that.

Mr. Benton: Then I guess that all three of us agree upon that point, but there is one other point as well—the level of production. That, in turn, depends on technological skills and on hours of labor. Certainly, we could secure high levels of employment by dropping the hours of work from forty to, say, twenty hours each week, or we could secure high levels of employment by trying to build, let us say, a Boulder Dam with hand shovels. Such an approach to employment would provide the jobs all right, but it would be decreasing production and would actually make us a race of paupers at the end of it.

Mr. Laski: Of course, I agree that a high level of employment,

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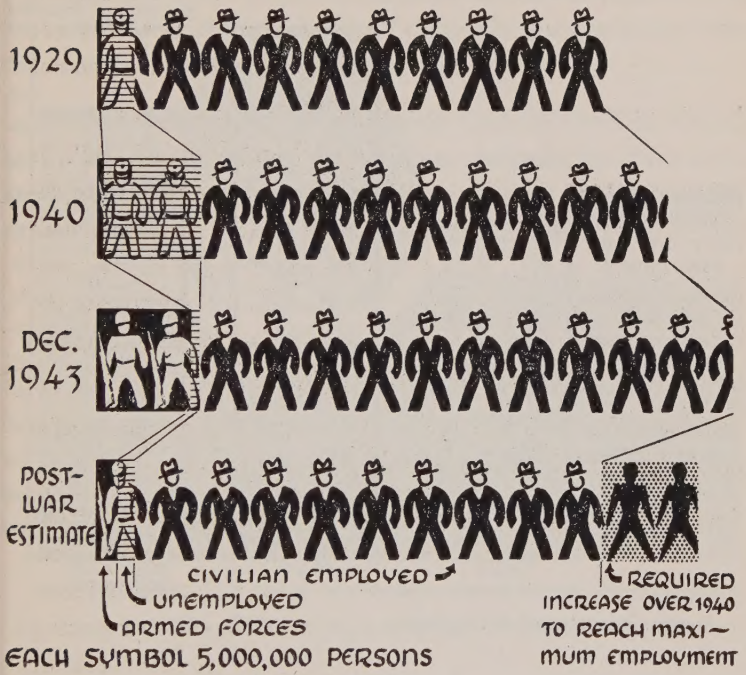
EMPLOYMENT OF AVAILABLE MANPOWER



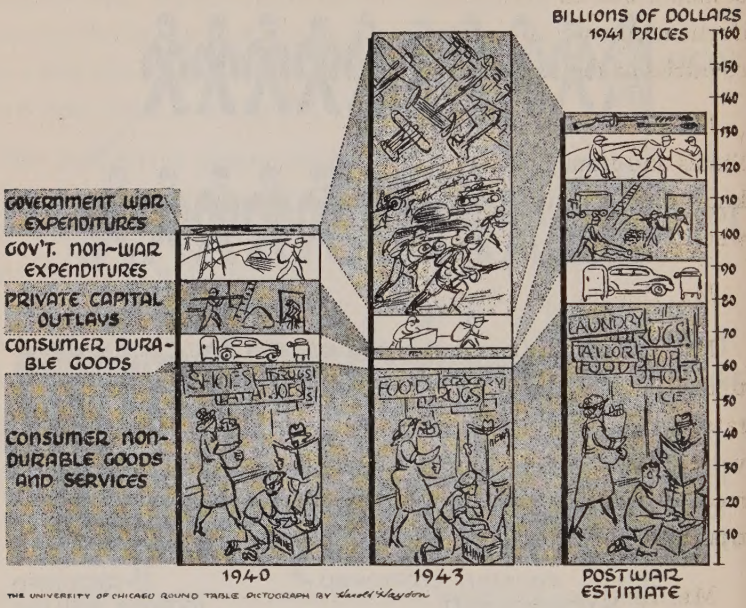
Source: Department of Commerce

as you call it, must involve a high level of production, and a high level of production which requires continuous technological development determines the standard of life.

MR. BENTON: Johnston, do you think that more people are going to want jobs after the war rather than fewer?

MR. JOHNSTON: I am sure that we are going to have to find jobs in the United States for some fifteen or sixteen million more people after the war than before. The point is that American industry is

GROSS OUTPUT OF GOODS AND SERVICES



Source: Department of Commerce

being called upon to provide jobs for more and more workers. For instance, millions of women who never worked before this war are now employed in the war industries. Many of them will want to, and I believe that they should, be employed after the war.

MR. BENTON: One reason for that, of course, is the rapid step-up in technological techniques which has taken place in our country as well as in yours. At the production levels of 1940, the highest ever achieved in the United States, we turned out one hundred billion dollars in goods and services. That same production level after the war, in line with these modern developments in technology,

would thus result in fifteen million unemployed in the United States.

I guess that we have agreed about the heart of the problem—the economic system must aim at high levels of employment and production. Are we talking about the economic systems of our own countries or the economic system of the world?

MR. LASKI: I suggest that we should illustrate from the United States and from England, because quite obviously the three of us know conditions there very much better than we know them elsewhere.

MR. BENTON: We hope so.

MR. LASKI: But I suggest, also, that whatever principles apply to the United States and England apply generally. We cannot separate our economic problems from the problems of the rest of the universe. That is what T. V. Soong, the Chinese minister of finance, meant when he told us in London, last Sunday, of the coming industrialization of China after victory.

MR. BENTON: The three of us seem to agree on the diagnosis. Our disagreements, I am sure, are going to begin with the prescription.

Laski, as a member of the Executive Committee of the Labour party here in England and as a self-identified left-wing Socialist, I am sure that you will disagree with Johnston and me on the prescription.

MR. LASKI: No doubt.

MR. BENTON: Johnston is here in London as president of the United States Chamber of Commerce, representing the million American businesses which belong to the Chamber. I am here as the vice-chairman of the recently formed Committee for Economic

Development, which is dedicated to the achievement of high levels of employment and production after the war.

Laski, suppose you give Johnston and me your prescription to apply against the diagnosis on which all three of us have agreed.

MR. LASKI: The essence of the problem is planned production for community consumption; that is my prescription for you and Johnston.

MR. BENTON: Planned production by the state?

MR. LASKI: By the state.

MR. BENTON: What's your diagnosis, Johnston?

MR. JOHNSTON: I believe that, in order to increase employment and maintain freedom and opportunity for all our people, we must unleash the initiative and the driving force inherent in the millions of our people. I certainly have a greater confidence in the initiative of millions, which a free economy generates, than I do in the theoretical judgment of just a few bureaucrats who are at the top. This initiative of the millions will be accompanied by an expanding economy and by vastly increasing production all over the world. It follows that the increase in production will guarantee new high levels of employment—levels never even dreamed of before. This, in my opinion, is the American businessman's conception of the free and the dynamic future.

MR. BENTON: The difference between Laski, on the one hand, and you and me, on the other (and I agree with you, Johnston, so perhaps we are taking advantage of Laski here) . . . .

MR. LASKI: Oh, do not worry about that. I feel equal to both of you put together.

MR. BENTON: I guess that that is an example of English hospitality.

MR. LASKI: No. English self-assurance.

MR. BENTON: . . . . is that we draw the line of difference on the prescription between what perhaps can be called by you, Laski, government enterprise, planned and directed by the state, and individual enterprise, on the other, advocated by Johnston and me.

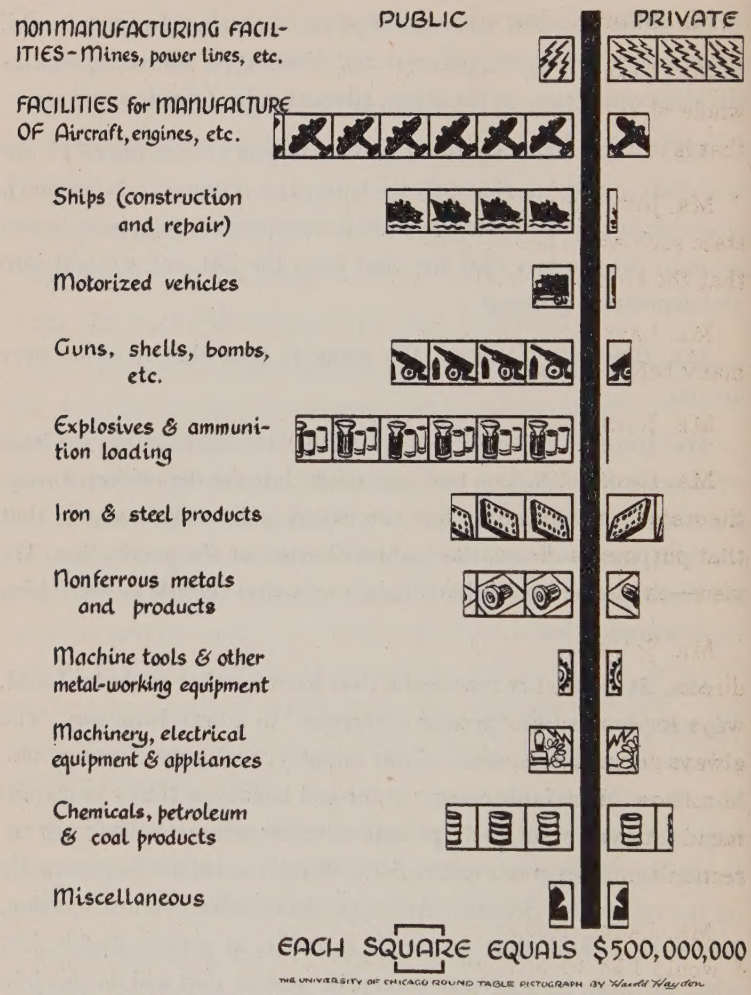
MR. LASKI: May I put a question to you two at once? If you and Johnston think that private enterprise is going to be so much more beneficial after this war than it was after the last, how do you account for the fact that we went from the last war straight into the depression of 1929?

MR. BENTON: Johnston, I'm going to pass that question over to you.

MR. JOHNSTON: Laski, you know that it is not true that the level of increase of production took us straight into the depression of 1929. I am amazed that a man like you would make a statement of that kind. It was, perhaps, the maldistribution of the production. We are finding out in the United States today that there is no such thing as overproduction.

MR. BENTON: Let me handle that from another angle for Laski. We use phrases like "private enterprise" in a very loose way. The private enterprise system of our country, and your country, too, has, to an appreciable extent, in the last twenty or thirty years perhaps not been sufficiently private or even perhaps sufficiently enterprising. The private enterprise system so called has been actually on the retreat for decades. As we get down later in our discussion, Johnston, I think that we should examine, at greater length, just what we mean by a private enterprise system that will do this job. But suppose you elaborate, Laski, on what you think the role of the state in the economy should be.

HOW THE WAR EXPANSION HAS BEEN FINANCED



Source: *Business Week*, June 19, 1943. These figures, which total $19,338,997,000, are not final but represent, broadly, how the war expansion divided among various industries and how it has been financed. The total public financed manufacturing expansion equals $14,798,230,000; the private, $2,824,743,000.

MR. LASKI: Of course, I am a Socialist—what you called "a self-identified left-wing Socialist."

MR. BENTON: Pretty good phrase.

MR. LASKI: I am convinced that the effective direction of the whole of enterprise in your country and in ours—in any society, that is to say—is best operated by the state on behalf of the society.

MR. JOHNSTON: Now let me ask you if you mean direction by the state such as we had in Germany, for instance, before this war? Is that the kind of an institution you would want?

MR. LASKI: No, you know that it is not such as we had in Germany before the war.

MR. JOHNSTON: It was directed by the state, wasn't it?

MR. LASKI: Yes, but you *also* know that it was not directed by the state for the benefit of the mass of the community, and I defined that purpose as the one that I had in view—that Socialists have in view—as planned production for community consumption.

MR. JOHNSTON: That is what always happens when the state directs. It is never for the benefit of the mass of the people but always for a small group of the bureaucratic élite. Our industry is always planned in America. I have more confidence in the planning of millions than I do in the planning of a few, such as you recommend. All you want to do is to transfer the ownership and the direction from the many to the few.

MR. LASKI: Nonsense, Johnston. On your next visit to London I would like to give you a short course in American economic history.

MR. JOHNSTON: If you ever come to the United States, I might

give you a short course on business which really produces and makes jobs.

MR. BENTON: I would like to attend both courses. Laski claims, Johnston, the right to define what he means by state enterprise, just as I claim the right, later on in the program, to define what I mean by private enterprise. I think that there are some areas—in fact, a very large number—which Johnston and I would agree with you are legitimate areas for state enterprise . . . .

MR. LASKI: Thank you.

MR. BENTON: . . . . assuming you can put the phrase "state enterprise" together and make it hold together. Johnston, we certainly do not question the role of the state in war. We do not question the role of the state in peacetime over the armed forces, or the post office, or the lighthouses . . . .

MR. JOHNSTON: . . . . or perhaps education or perhaps social security or reforestration or soil conservation, obviously.

MR. LASKI: What about natural monopolies, Johnston?

MR. JOHNSTON: Natural monopolies can be operated better, in my opinion, under private enterprise with government regulation than they can under government ownership. You know that to be true. As an illustration, your telephone system right here in England where we are sitting here tonight is owned by the government. Our telephone system in America is owned privately and regulated by the government. I think that you will agree with me that the telephone system is operated more efficiently in the United States by far than it is here in England.

MR. BENTON: The area of natural monopoly, Johnston, is one in which men who, in general, will agree with you and me might

disagree—a good many of them—on the role of the state. I know some who would favor more government regulation or even government ownership.

MR. LASKI: At any rate we are all three agreed that, whether the main emphasis is on private enterprise or on public enterprise, under all circumstances there is a considerable area that the state must cultivate on behalf of the community in peacetime and under normal circumstances.

MR. BENTON: Yes, a considerable area. The difference between you and Johnston and me, on the other hand, is just what constitutes that area. That is really the key to our discussion today of the economic system.

MR. LASKI: I accept that.

MR. BENTON: I would like to ask you, Laski, assuming that you are in a position of authority in this country—say, you are the Prime Minister—just what you would do in applying the principles you have been advocating to the economy in England and, of course, by inference, to the economy in America.

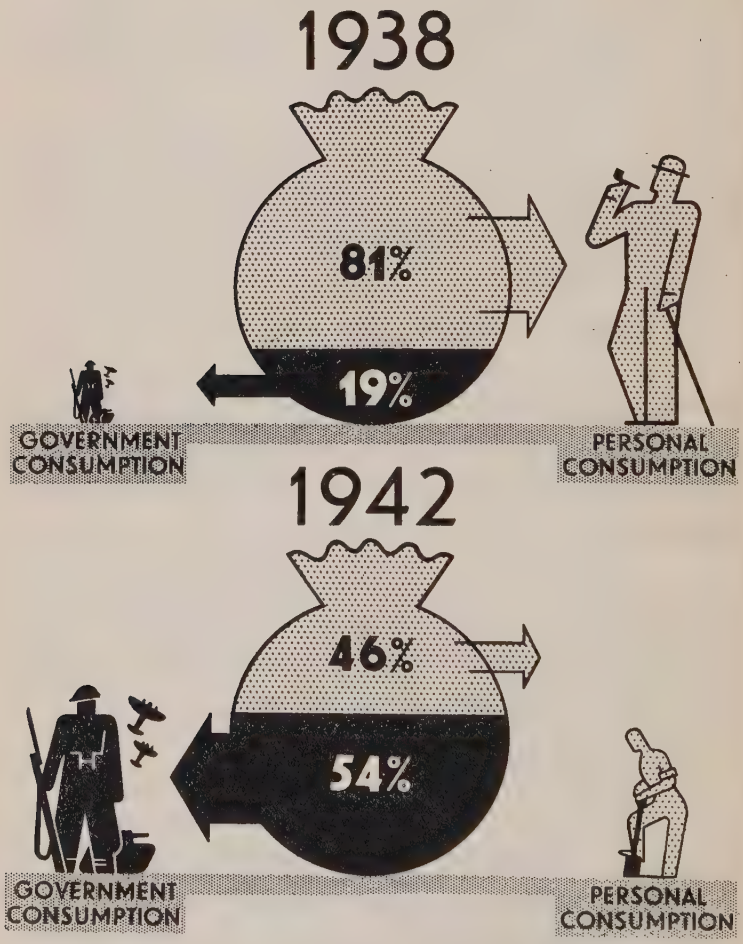
MR. LASKI: May I begin by saying first of all, quite decisively, that I am a democrat, and, therefore, the supposition must be that my party has been elected to the government of this country by a majority of the people of this country.

MR. BENTON: That is fine.

MR. LASKI: The first things that I should want to do would be to nationalize the banking system; to nationalize the land; to nationalize mines and power and transport. They are the first big bite that I would take off this particular cherry.

HOW BRITAIN HAS SWITCHED OVER TO A WAR ECONOMY

National Resources Devoted to Personal and Government Consumption



Courtesy British Information Services

Mr. Johnston: I would say that that was taking a bite out of the cherry and ruining the whole cherry.

Mr. Benton: Or swallowing it anyway.

Mr. Johnston: If you Socialists are really on the level and mean business, why don't you say that you are going to swallow the whole cherry?

Mr. Laski: My poor dear Johnston, because we are social democrats and not revolutionary communists. We are thinking in terms of the piecemeal consummation of the economic system. That is the essential difference (and if you stay here long enough, you will learn it) between the philosophy of the Labour party and the philosophy of the Communist party.

Mr. Johnston: I claim that that would deaden freedom of initiative. You would then have a static society with everyone in a groove, with no opportunity for advancement and promotion.

Mr. Benton: Laski's social democrats propose substituting a group of state monopolies for private monopolies and ultimately aim at one giant monopoly to absorb the economic system. Of course, I personally believe that you cannot get the imagination, inventiveness, or creative drive in any planned central economy that we can get, in America at least, from privately managed enterprises. In America we have two million independent business enterprises employing one or more people; we have another million people who are self-employed and about six million farmers who run their own businesses. This makes a total of nine million independent enterprises. The hope of the American economy, in my opinion, for inventiveness and improvement rests around the imagination of these nine million enterprises and, of course, the millions of others yet to be born.

Mr. Laski: I think that you have dreamed the wrong dream. Is that what you hope? I doubt its realization. You have a century and a half of American history in which you very rarely attained a high level of employment, except where war has demanded the services of the masses who have been so continuously unemployed throughout your history.

Mr. Johnston: You have just been having nightmares. That is all that is wrong with you. I disagree with you. There have been many periods in which we have attained high levels of employment in our country.

Mr. Benton: Dreams or nightmares, I think that Laski wants to amputate the arms of the patient because it has the itch.

Mr. Johnston: In other words, Laski, as we would say in America, you want to throw the baby out with the bath water.

Mr. Laski: Now, I have two metaphors on my hands to deal with. So far as your amputation is concerned, may I point out respectfully that the Venus de Milo is the result of the amputation.

Mr. Johnston: Yes, but she was a cracked girl, and is that the kind of a girl you like?

Mr. Laski: Well, it would be a better world if every girl looked like the Venus de Milo.

Mr. Benton: I have heard of the Venus de Milo's figure and that her profile is famous, but I still prefer my girls with arms that they can use.

Mr. Johnston: Laski, you can show me no place in the world under a system of absolute regimentation where the government has controlled everything where you have materially raised the standard of living or of happiness of the people.

Courtesy Office of War Information

Mr. Laski: Just one moment, Johnston. First of all, your word "regimentation." That is a colorful word; it is intended and used by you for the purpose of importing prejudice into this argument.

Mr. Johnston: Not at all, Laski, not any more than the word "monopoly" may be used for importing prejudice.

Mr. Laski: Johnston, I have not used the word "monopoly" a single time in the course of this talk.

Mr. Johnston: I do not know how we have missed it.

Mr. Benton: I do not either.

Mr. Laski: If you compare the progress of the Soviet Union since 1919 with the progress either of the United States or of Great

Britain since 1919, the advantage in employment and in happiness is all on the side of the Soviet Union.

MR. BENTON: Even if you are right, the baby in the bath, which was the Soviet Union in 1918, did not have any way to grow but up. It is a very different thing to judge the growth of the illiterate child into school age and then on into grammar school than it is the development of countries such as our own, England and the United States.

Merely because the Soviet Union has made progress, and, of course, it has made remarkable progress in the economic sphere, and at immense sacrifice, it does not follow that similar methods would or should be applied to the economic systems of our own countries.

MR. JOHNSTON: Benton, you know that you have heard me say before that we in America have nothing but praise for the magnificent fight which the Russian people have made in this war. In America we have always admired the people of Russia, but we know that the introduction of their political and economic system into the United States would not raise the standard of living of our people, and that is what I am interested in.

MR. BENTON: Let us see just where we are. We seem to have agreed that the achievement of high levels of employment and production is a major economic problem of our time. We certainly disagree on the method of attacking this problem. Laski looks at it as a Socialist. Johnston and I look at it with a continuing faith in the unfolding and future development of the American system.

I think that we should try to define more clearly, Johnston, what we mean by a private enterprise system. You have indicated in what you have said and in what you have written, as president of the United States Chamber of Commerce, that you are looking

toward a development of the enterprise system after the war and not merely a return to the good old days of 1929.

MR. JOHNSTON: Obviously not. We have learned a great deal during this depression and during the war. We have unlearned a lot, too. What we should do is to stimulate the individual to the fullest possible extent to make use of the advantages and talents which he may have. The individual must have opportunity as well as security. Security is necessary, but it is a dull thing. You can have security in a jail. Opportunity is the real hope and the real inspiration. In America I want to preserve the chance to take a chance.

MR. LASKI: Johnston, that is a superb phrase. It is pure rhetoric. I am interested, as I want you to be interested, in the share-cropper of Arizona, in the pecan-sheller in San Antonio, and in the fruit-picker in the Imperial Valley.

MR. JOHNSTON: We are interested in him.

MR. LASKI: I want to know how, in America, you are going, first of all, to lift the shadows of fear from off their lives and then, secondly, because they are no longer afraid, give them the opportunities you talk about so eloquently.

MR. BENTON: Wait a second, there is no idea on Johnston's or my part to duck that question, but you are posing a vital social as well as an economic problem, and I may tell you that the businessmen in America are increasingly conscious of that problem. We know that we cannot have a prospering economic system in the United States unless these questions are solved. But this subject really needs a University of Chicago ROUND TABLE to itself.

MR. LASKI: Very well, let me take John Smith, anywhere in the United States—a simple, ordinary man. How are you going to put

purchasing power into the hands of John Smith and millions of other men and women like him?

Mr. Johnston: That is just exactly what we are going to do. We have that effective demand in the United States today. Effective demand will continue after the war. The rest of the world will also demand goods and services, if this demand is not stifled by the controls which you advocate.

Mr. Benton: I know that you will agree with me, Johnston, that the problem in our country (I will not speak for England) will probably be to control the demand for quite a period after the war.

Mr. Laski: By the state?

Mr. Benton: There is no doubt that we cannot get rid of state controls the day war ends. That would create a great danger, because there will be a hundred billion dollars in purchasing power in private hands in the United States by the end of this year and a great shortage of goods and a great demand for goods. The real issue in the period right after the war is not the achievement of demand but the maintenance of that demand thereafter.

Mr. Johnston: You are absolutely right. Quite obviously, at the end of the last war we had a boom period due to the fact that a great amount of consumption goods had not been manufactured in the war period. The maintenance of that demand after the war is going to depend, to a large degree, on the kind of friendly political climate in which the economy has a chance to exist.

Mr. Benton: That's the heart of it.

Mr. Johnston: And the stimulation of creative desire on the part of all our people. We have only begun to explore the frontiers of the mind. We have only begun to understand what we can do in

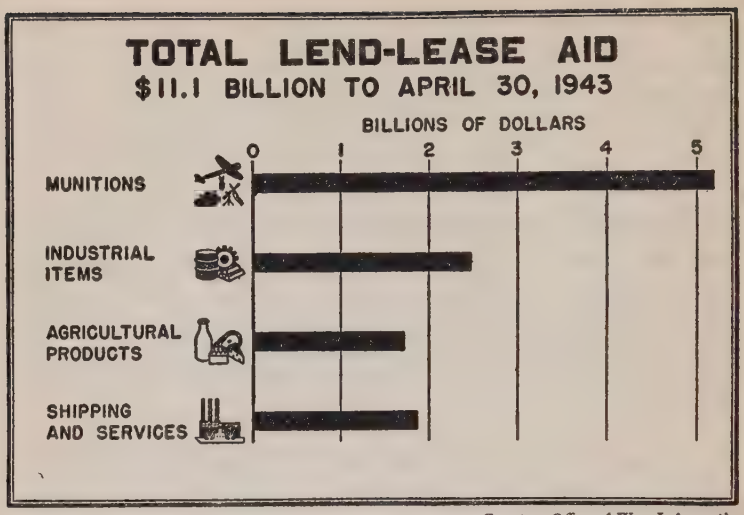
the realm of science and of invention and of new products. We have only begun to raise the standard of living of the people of our country. We must divorce ourselves, once and for all, from the withering influence of bureaucrats who would keep our economy on a dead and dull level.

Mr. Benton: I guess that we will have to admit, Johnston, that there are business and labor practices, too, that have had a restrictive effect on both employment and production. The proper political climate, as I define it, at least, involves the removal of every sort of restriction that holds back high levels of production and employment.

Mr. Laski: Benton, I'm profoundly moved. From the way you two talk, an outsider like myself would imagine that every businessman in the United States was an artist, pursuing his business for his own sake. Everybody knows of the restrictive practices of business all over the world, not the least those restrictive practices in the United States.

In a war period, of course, I do not deny that the climate of danger calls out the highest of which most men are capable in the attempt to protect the country to which they belong. But, when that climate of danger is passed and men have returned to the coldness of what Mr. Harding called "normalcy," I am not so sure that there is evoked from businessmen, then, the kind of answer that the world requires—the dream that Johnston is talking about of scientific progress and the high standard of living. It is not so easy, then, in a competitive economy.

Mr. Johnston: You know that restrictions are being removed constantly. Business is removing and shedding its restrictions. But what you want to do is to shackle the entire economy with much more rigid restrictions imposed by government. The possibility that



Courtesy Office of War Information

they cannot be removed to permit free enterprise to function, I believe, is simply the counsel of despair.

Mr. Benton: If I agreed with Laski that there was no possibility of removing the restrictions, I think I would have to agree with him that I would prefer government control, through representatives of the people, to control in private hands.

The basic problem in America of restoring private risk-taking involves the stimulation of competition between firms and individuals.

Mr. Johnston: I want the same opportunity for the young man that I had after the last war—the freedom to choose for himself and not to have that choice made by some bureaucrat; the freedom to invest his money as he chooses and not to have that money taken away by taxation because the bureaucrat knows better how to invest it than he does.

Mr. Benton: Good!

MR. LASKI: It is marvelous—in a perspiration of passionate excitement Johnston has rediscovered Woodrow Wilson's New Freedom, which dates from 1913.

MR. JOHNSTON: Yes, and my ideal has been unchanged throughout the ages. It was not Woodrow Wilson who discovered it; it has been the ideal of man since he crawled out of savagery into civilization. It has been the ideal for thousands of years, and you know it.

MR. BENTON: That brings us to the conclusion of our broadcast today—the first broadcast of the University of Chicago ROUND TABLE ever held outside the United States.

We have agreed that the core of the problem of the economic system is securing high levels of employment and production. That is the imperative need.

We disagree radically on how to solve this problem. Laski takes the viewpoint that state ownership and control of business and enterprise are essential to the achievement of high levels of production and employment. Johnston and I, on our part, take the view that high levels of employment and production can best be achieved through the initiative, enterprise, and imagination of millions of individuals, operating in a political climate favorable to the exercise of their enterprise.

Johnston and I favor competitive capitalism which calls for the maximum use of private enterprise. Laski, for his part, favors the maximum use of government enterprise.

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More on This Topic

BEVERIDGE, SIR WILLIAM, *Social Insurance and Allied Services.* New York: Macmillan Co., 1942. *Proposes a system of complete social insurance for Britain.*

CARR, E. H., *Conditions of Peace.* New York: Macmillan Co., 1942. *An English historian analyzes the political and economic defects of pre-war society.*

"The Domestic Economy," supplement to *Fortune*, December, 1942. *A survey of the post-war economy of the United States that recommends the restoration of competition.*

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———, *After Defense—What?* (August, 1941); *After the War—Full Employment* (January, 1942); *Post-war Planning* (September, 1942); and *After the War—Toward Security* (September, 1942). Pamphlets. Washington: U.S. Government Printing Office, Superintendent of Documents.

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Current discussion of post-war economic problems is being increasingly featured through articles in leading magazines—especially *Harper's*, the *Atlantic Monthly*, the *Nation*, and the *New Republic.* Special departments on post-war issues have been established in *Fortune*, *Newsweek*, and *Time* and frequently report on economic problems.

What Do *You* Think?

1. How far do you think that business itself can and should assume the responsibility to maintain a high level of production and employment after the war? In what ways do you think that this might be done? What changes in pre-war policies of government toward business do you think should be made to facilitate this end?

2. How much responsibility should the government itself assume for the maintenance of full and expanding production after the war? How do you think this should be done? What are the arguments for and against the federal works programs proposed by the National Resources Planning Board?

3. What would happen if the government should relax all its wartime controls over the economy as soon as the war is over? Which, if any, controls do you think should be continued and why?

4. Why is the solvency of the banking system of greater importance to the government now than it ever has been? Will the importance of the function of the banking system be increased in the post-war period? Does this importance justify considering the nationalization of the banking system?

5. Do you think that economic protection against unemployment, old age, disability, and destitution from the "cradle to the grave" is an essential element of a national post-war program for continuing prosperity?

6. Do you think the American people would sit quietly by while another major depression carried them back to 1932 levels of life? If a collapse occurred after the war and unemployment became prevalent, what do you think the people would be likely to do?

7. Do you feel that the desire of Americans both for individual security and for opportunity are irreconcilable? What are the chief difficulties in reconciling them?

8. Which areas of economic enterprise do you think must be monopolistic? Is it best that they be owned and operated privately and regulated by the government? Would it be best to have them owned and operated by the government?

The People Say . . . .

The following letters are representative of the views expressed by the ROUND TABLE *audience on "America's Place in the World," broadcast August 8, 1943.*

*

Apt Answer

I was completely satisfied with today's program. The question was: What is the principal thing the American people have to learn? I immediately answered, "You can't get something for nothing." Imagine my delight when the answer came over the air, "You can't eat your cake and have it, too." The answer was very apt. I think that for at least ten years we have been drifting away from a full realization of that little law in physics which says that to every action there is an equal and opposite reaction. How the world needs to absorb this great truth!—*A listener from San Benito, Texas.*

*

Peace an "Investment," Not a Price

A statement was made on your broadcast that we must "pay for peace," or words to that effect. I wish to differ with you on this statement. The way you worded it, it had a tendency to make people think that peace "costs" something. We *pay* for war, but, whatever the price of peace, it is an *investment.* There is only one group which pays for peace, and that is the one that profits from war. In general, we invest in peace. The effect is better if you add: "Whatever the cost of peace, it is cheaper than war."—*A listener from Madison, Wisconsin.*

*

Knowledge of Western Hemisphere Vital

I listened with much interest to your discussion. I think, in this connection, that now especially it is vital for us to know more of the problems of the countries of the Western Hemisphere. I hope that you will continue your discussions of the Latin-American countries. This will help all of us to become more acquainted with the countries working with us in the Allied war effort.—*A listener from Hollywood, California.*

*

Better Informed about Asia

. . . . I do not agree that the attitude of the people of this country toward Asia has not changed. I think that in the last ten years people have become more and more interested, especially about China. I believe, also, that we are much better informed about Asiatic peoples than we were ten years ago.—*A listener from Bristol, Maine.*

Isolationism Not on Decline

. . . . Yesterday reference was made regarding isolationism in this country. I believe that isolationism is not on the decline. I do, however, believe that these people, the isolationists so called, are wholehearted in pressing the war to a quick ending, probably to a greater extent than are the so-called prewar interventionists. For this reason, it may appear that isolationism is on the decline. . . . .

The question regarding anti-Semitism in America was also discussed. This is going to be one of America's great problems. There is an undercurrent right now which is much stronger than the average man suspects. Personally, I believe that it should be brought out into the open now so that, through education and open discussions, a crisis may pass before it becomes acute. Personally, I believe that there is room for all in the United States without having to resort to persecution of any sect or race. . . . . —*A listener from Spokane, Washington.*

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LESSONS OF THE WAR

281. *America's Place in the World.* August 8

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Altoona, Pa.	WFBG	1340	Miami, Fla.	WIOD	610
Asheville, N.C.	WISE	1400	New York, N.Y.	WEAF	660
Atlanta, Ga.	WSB	750	Norfolk, Va.	WTAR	790
Bluefield, W.Va.	WHIS	1440	Philadelphia, Pa.	KYW	1060
Boston, Mass.	WBZ	1030	Pittsburgh, Pa.	KDKA	1020
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Charleston, W.Va.	WGKV	1490	Providence, R.I.	WJAR	920
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Cincinnati, Ohio	WLW	700	Reading, Pa.	WEEU	850
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Florence, S.C.	WOLS	1230	Springfield, Ohio	WIZE	1340
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Jacksonville, Fla.	WJAX	930	Washington, D.C.	WRC	980
Johnstown, Pa.	WJAC	1400	Williamsport, Pa.	WRAK	1400
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Lakeland, Fla.	WLAK	1340	Winston-Salem, N.C.	WSJS	600
Lima, Ohio	WLOK	1240	York, Pa.	WORK	1350

1:00 P.M. CENTRAL WAR TIME

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Bismarck, N.D.	KFYR	550	Madison, Wis.	WIBA	1310
Chicago, Ill.	WMAQ	670	Mankato, Minn.	KYSM	1230
Dallas, Texas	WFAA	820	Memphis, Tenn.	WMC	790
Des Moines, Iowa	WHO	1040	Mobile, Ala.	WALA	1410
Duluth, Minn., and Superior, Wis.	WEBC	1320	Montgomery, Ala.	WSFA	1440
Eau Claire, Wis.	WEAU	1070	Nashville, Tenn.	WSM	650
El Paso, Texas	KSTM	1380	New Orleans, La.	WSMB	1350
Evansville, Ind.	WGBF	1280	Oklahoma City, Okla.	WKY	930
Fargo, N.D.	WDAY	970	Omaha, Neb.	WOW	590
Fort Wayne, Ind.	WOWO	1190	Rochester, Minn.	KROC	1340
Hattiesburg, Miss.	WFOR	1400	St. Cloud, Minn.	KFAM	1450
Hibbing, Minn.	WMFG	1240	Shreveport, La.	KTBS	1480
Houston, Texas	KPRC	950	Sioux Falls, S.D.	KSOO	1140
Indianapolis, Ind.	WIRE	1430	Springfield, Mo.	KGBX	1260
Kansas City, Mo.	WDAF	610	Terre Haute, Ind.	WBOW	1230
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La Crosse, Wis.	WKBH	1410	Virginia, Minn.	WHLB	1400
Little Rock, Ark.	KARK	920	Wichita, Kan.	KANS	1240

12:00 M. MOUNTAIN WAR TIME

Albuquerque, N.M.	KOB	770	Phoenix, Ariz.	KTAR	620
Billings, Mont.	KGHL	790	Pocatello, Ida.	KSEI	930
Boise, Ida.	KIDO	1380	Safford, Ariz.	KGLU	1450
Bozeman, Mont.	KRBM	1450	Salt Lake City, Utah	KDYL	1320
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Denver, Colo.	KOA	850	Twin Falls, Ida.	KTFI	1270
Helena, Mont.	KPFA	1240	Yuma, Ariz.	KYUM	1240

11:00 A.M. PACIFIC WAR TIME

Bakersfield, Cal.	KERN	1410	Sacramento, Cal.	KFBK	1530
Fresno, Cal.	KMJ	580	San Diego, Cal.	KFSD	600
Los Angeles, Cal.	KFI	640	Seattle, Wash.	KOMO	950
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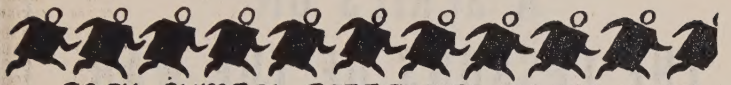

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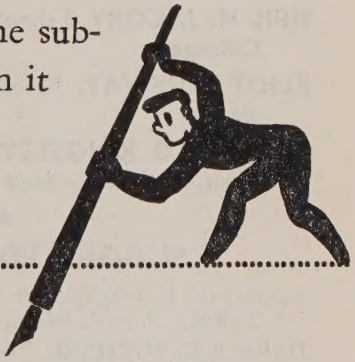

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A SERIES ON THE LESSONS OF THE WAR

on

III. The Domestic Front

AUGUST 22, 1943

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NEIL H. JACOBY, School of Business, University of Chicago

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SUGGESTED READINGS

BROMFIELD, LOUIS, "We Aren't Going To Have Enough To Eat," *Reader's Digest*, August, 1943.

DARROCK, MICHAEL, "What Happened to Price Control?" *Harper's*, July, 1943.

KINGSLEY, J. DONALD, "America on Short Rations," *Current History*, February, 1943.

PASSOS, JOHN DOS, "The People at War," *Harper's*, March, April, May, June, and August, 1943.

See current issues of *Business Week* for articles on business problems and the war.

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